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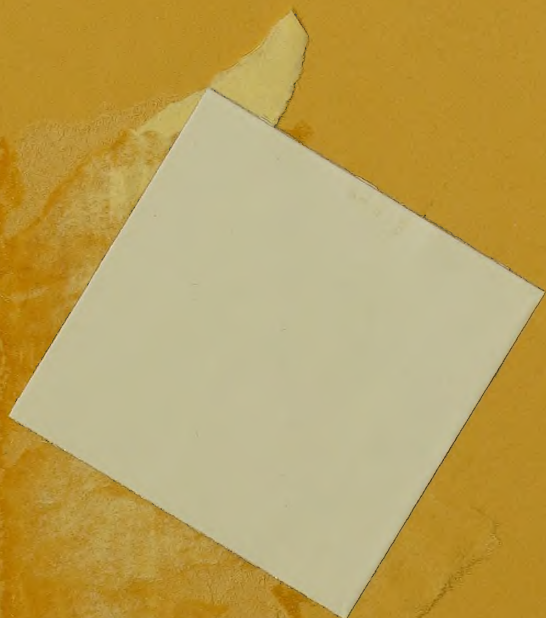
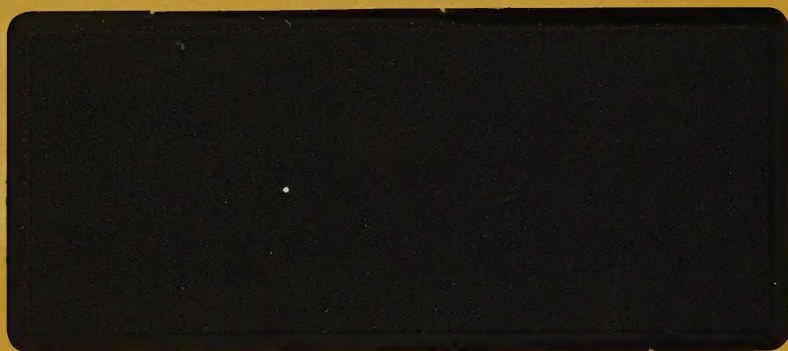
THE HAMILTON HARBOUR COMMISSIONERS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1983

MACGILLIVRAY & Co.
CHARTERED ACCOUNTANTS

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THE HAMILTON HARBOUR COMMISSIONERS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1983

MacGILLIVRAY & Co.

CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Hamilton
Harbour Commissioners

We have examined the balance sheet of The Hamilton Harbour Commissioners as at December 31, 1983 and the statements of revenue and expenses, general capital and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Hamilton Harbour Commissioners as at December 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

March 23, 1984.

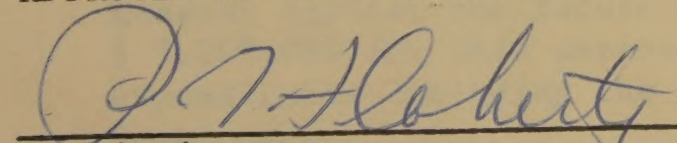
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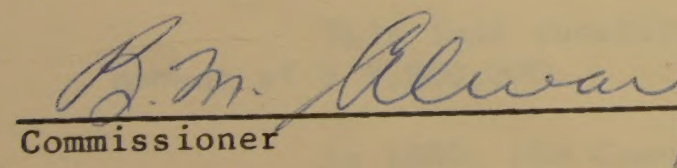
THE HAMILTON HARBOUR COMMISSIONERS
BALANCE SHEET
AS AT DECEMBER 31, 1983
(with comparative figures for 1982)

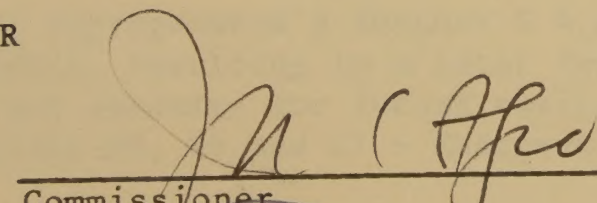
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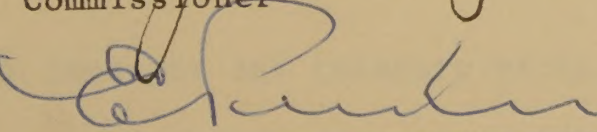
	1983	1982
CURRENT		
Cash	\$ -	\$ 452,300
Accounts receivable	782,509	1,207,815
Accrued interest receivable	420,544	136,213
Inventory	75,139	72,421
Prepaid expenses	45,971	46,389
	<u>1,324,163</u>	<u>1,915,138</u>
 INVESTMENTS APPROPRIATED FOR FUTURE HARBOUR IMPROVEMENTS (note 3)	 <u>9,200,000</u>	 <u>5,100,000</u>
 FIXED		
Land, docks and harbour improvements	24,869,066	18,164,974
Buildings	5,814,249	5,792,479
Equipment and vessels	4,158,631	4,078,839
	<u>34,841,946</u>	<u>28,036,292</u>
	<u>14,743,266</u>	<u>13,688,857</u>
Less accumulated depreciation		
	<u>20,098,680</u>	<u>14,347,435</u>
 CAPITAL DEVELOPMENT IN PROGRESS	 <u>3,722,971</u>	 <u>8,293,829</u>
	<u>23,821,651</u>	<u>22,641,264</u>
	<u>\$ 34,345,814</u>	<u>\$ 29,656,402</u>

APPROVED BY THE COMMISSIONERS AND PORT DIRECTOR


Commissioner


Commissioner


Commissioner


Port Director

L I A B I L I T I E S

	1983	1982
CURRENT		
Bank indebtedness	\$ 18,474	\$ -
Accounts payable and accrued liabilities	397,267	368,771
Current portion of long-term debt	191,496	183,618
	<u>607,237</u>	<u>552,389</u>
 LONG-TERM (note 4)		
Debentures payable - Government of Canada, 4-1/8%, to be redeemed before the year 2005	825,000	875,000
Loan payable - Government of Canada, due December 31, 1987, semi-annual instalments of blended principal and interest at 5-9/16%	262,232	328,366
at 6-1/16%	270,536	338,016
Loan payable Government of Canada	-	1,464,786
	<u>1,357,768</u>	<u>3,006,168</u>
Less current portion shown above	<u>191,496</u>	<u>183,618</u>
	<u>1,166,272</u>	<u>2,822,550</u>
 TOTAL LIABILITIES	 <u>1,773,509</u>	 <u>3,374,939</u>

C A P I T A L

GENERAL CAPITAL	23,372,305	21,181,463
 ALLOCATION FOR FUTURE HARBOUR IMPROVEMENTS (note 3)	 9,200,000	 5,100,000
	<u>32,572,305</u>	<u>26,281,463</u>
	<u>\$ 34,345,814</u>	<u>\$ 29,656,402</u>

THE HAMILTON HARBOUR COMMISSIONERS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1983

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue and expenses are accounted for on the accrual basis.

(b) Fixed Assets and Depreciation -

Fixed assets are recorded at acquisition cost.
Depreciation is provided on a straight-line basis
at the following rates:

Docks and improvements	- 2%, 5%, 10%, 20%
Buildings	- 2-1/2%, 5%, 10%, 20%
Vessels and equipment	- 10%, 15%, 20%

(c) Inventory -

Inventory is recorded at actual cost on a first-in,
first-out basis.

(d) Grant Recognition -

Capital grants are recorded, when receivable, as an
increase in General Capital.

2. CONTINGENT LIABILITY

The City of Hamilton has challenged in the courts the exemption of Hamilton Harbour Commissioners' properties from municipal assessment and taxation, as provided for in the Assessment Act. This action is being defended. It is not possible as at December 31, 1983 to determine whether the Commissioners will incur any future liability as a result of this suit.

3. APPROPRIATION FOR FUTURE HARBOUR IMPROVEMENTS

During the year, the Commissioners appropriated a further \$ 4,100,000 of general capital for future harbour improvements, resulting in a total reserve of \$ 9,200,000 for this purpose. These funds are intended for future capital expenditures including the development of piers 25, 26 and 27 - Eastport Development.

This fund consists of bank deposit receipts and treasury bills in the amount of \$ 9,200,000.

In 1983, the Commissioners approved a five-year capital budget of \$ 28,300,000.

4. EASTPORT DEVELOPMENT

In 1983 the Commissioners received a commitment from the Federal Government to assist in financing the Eastport Development. An amount of \$ 1,800,000 was received in 1983 and a further \$ 6,200,000 has been provided in the capital budget, as anticipated grants from this source in future years.

5. LONG-TERM DEBT

The aggregate amount of repayments on the long-term debt due within the next five years is as follows:

1984	-	\$ 191,496
1985	-	199,845
1986	-	208,687
1987	-	132,740
1988	-	50,000

THE HAMILTON HARBOUR COMMISSIONERS
 STATEMENT OF GENERAL CAPITAL
 FOR THE YEAR ENDED DECEMBER 31, 1983
 (with comparative figures for 1982)

	<u>1983</u>	<u>1982</u>
GENERAL CAPITAL - BEGINNING OF YEAR	\$ 21,181,463	\$ 19,559,267
Add - grants from federal government	1,789,568	885,187
- excess of revenue over expenses for the year	<u>4,501,274</u>	<u>1,737,009</u>
	27,472,305	22,181,463
Appropriation for future harbour improvements	<u>4,100,000</u>	<u>1,000,000</u>
GENERAL CAPITAL - END OF YEAR	<u><u>\$ 23,372,305</u></u>	<u><u>\$ 21,181,463</u></u>

THE HAMILTON HARBOUR COMMISSIONERS
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1983
(with comparative figures for 1982)

	1983		1982
REVENUE			
Harbour operations -			
Cargo rates	\$ 826,283		\$ 1,014,201
Other income	19,712	\$ 845,995	27,095
			\$ 1,041,296
Terminals -			
Warehousing and handling	808,831		3,911,220
Equipment	82,293		569,240
Other income	9,075	900,199	5,035
			4,485,495
Rental income -			
Piers and property	1,033,771		994,957
Buildings	471,192		255,882
Rights of way	65,857		54,702
Side wharfage	84,430	1,655,250	124,851
			1,430,392
Marine dockyard		800,880	762,427
Sundry income -			
Recovery of prior years' expenses	16,968		5,407
Profit (loss) on fixed asset disposals	2,400	(50,526)	
Interest on deposit receipts	745,291		672,291
Interest on savings	23,555		7,725
Sand royalties	-		205,000
Other income and interest	9,657	797,871	45,035
			884,932
TOTAL REVENUE, carried forward		5,000,195	8,604,542

	1983		1982	
TOTAL REVENUE, brought forward		\$ 5,000,195		\$ 8,604,542
OPERATING EXPENSES				
Harbour operations -				
Policing, harbour control				
and marine safety	\$ 745,755		\$ 691,552	
Vessels operations	<u>33,313</u>	779,068	<u>11,459</u>	703,011
Terminals -				
Salaries and wages	640,724		1,511,503	
Equipment operating	128,070			
expenses			758,422	
I.L.A. hiring hall cost	82,649			
Other operating				
expenses	<u>178,735</u>	1,030,178	<u>382,743</u>	2,652,668
Rental expenses -				
Salaries and wages	112,138		102,702	
Realty taxes	51,227		51,187	
Other operating expenses	<u>169,505</u>	332,870	<u>210,279</u>	364,168
Marine dockyard -				
Salaries and wages	327,193		340,003	
Materials and gasoline	139,950		139,638	
Other operating expenses	<u>170,853</u>	637,996	<u>65,323</u>	544,964
		2,780,112		4,264,811
Depreciation of docks,				
buildings and equipment		<u>1,054,409</u>		<u>897,255</u>
TOTAL OPERATING EXPENSES		<u>3,834,521</u>		<u>5,162,066</u>
GROSS OPERATING MARGIN, carried forward		1,165,674		3,442,476

	1983	1982
GROSS OPERATING MARGIN, brought forward	\$ 1,165,674	\$ 3,442,476
ADMINISTRATIVE, OFFICE AND GENERAL EXPENSES		
Commissioners' remuneration	\$ 18,000	\$ 18,000
Management and office salaries	309,347	336,317
Office expenses and car allowances	96,414	78,203
Workers' compensation and unemployment insurance	97,184	84,537
Contributions to employees pension, group and medical plans	325,567	455,873
Professional fees	53,224	139,796
Trade development and public relations	121,095	90,294
Engineering department	215,376	205,536
Fire and general insurance	125,390	136,929
General expenses	-	9,352
Travelling expenses	28,105	18,673
Interest on debentures	35,578	37,641
Interest on long-term loan	94,847	44,286
Bad debt expense	60,862	4,145
Sailing programme (net)	43,868	45,885
	<u>1,624,857</u>	<u>1,705,467</u>
(DEFICIENCY) OR EXCESS OF REVENUE OVER EXPENSES BEFORE EXTRAORDINARY ITEM	(459,183)	1,737,009
EXTRAORDINARY ITEM		
Gain on sale of land for Twinning of Burlington Skyway Bridge	<u>4,960,457</u>	<u>-</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ 4,501,274</u>	<u>\$ 1,737,009</u>

THE HAMILTON HARBOUR COMMISSIONERS
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 1983
(with comparative figures for 1982)

	<u>1983</u>	<u>1982</u>
WORKING CAPITAL PROVIDED		
Excess of revenue over expenses	\$ 4,501,274	\$ 1,737,009
Items not affecting working capital in the current year -		
Depreciation	1,054,409	897,255
Net (profit) loss on fixed asset disposals	(4,962,857)	50,526
	<u>592,826</u>	<u>2,684,790</u>
Total working capital provided from operations		
Proceeds from disposal of fixed assets	4,975,899	7,240
Recovery of dredging costs	-	400,000
Government grants	1,789,568	885,187
	<u>7,358,293</u>	<u>3,977,217</u>
WORKING CAPITAL APPLIED		
Increase in fixed assets	2,247,838	2,623,280
Reduction of long-term liabilities	1,656,278	183,617
Increase in investments appropriated for future harbour improvements	4,100,000	1,000,000
	<u>8,004,116</u>	<u>3,806,897</u>
(DECREASE) INCREASE IN WORKING CAPITAL	(645,823)	170,320
WORKING CAPITAL AT BEGINNING OF YEAR	<u>1,362,749</u>	<u>1,192,429</u>
WORKING CAPITAL AT END OF YEAR	<u>\$ 716,926</u>	<u>\$ 1,362,749</u>

THE HAMILTON HARBOUR COMMISSIONERS
FIXED ASSETS AND DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 1983

FIXED ASSETS	Cost at Dec.31/82	Additions	Deductions	Cost at Dec.31/83	Accumulated Dep'n at Dec.31/82	Depreciation 1983	Reduction 1983	Accumulated Dep'n at Dec.31/83
LAND, DOCKS AND HARBOUR IMPROVEMENTS								
Harbour land	\$ 1,333,477	\$ 1,078,013	\$ -	\$ 2,411,490	\$ -	\$ -	\$ -	\$ -
Harbour waterways - Harbour channels	694,126	66,924	-	761,050	-	-	-	-
Harbour real estate -								
Water lots	13,043	-	13,042	1	-	-	-	-
Water lots	1	-	-	1	-	-	-	-
Sand deposits	1	-	-	1	-	-	-	-
Park area, police basin	17,118	-	-	17,118	-	-	-	-
	30,163	-	13,042	17,121	-	-	-	-
Wharves, piers and floats -								
Pier #8, Centennial	1,710,693	-	-	1,710,693	573,725	34,214	-	607,939
Pier #10, Wellington Street	3,122,820	-	-	3,122,820	1,084,033	62,456	-	1,146,489
Pier #11, Victoria Avenue	1,350,148	10,889	-	1,361,037	461,805	27,220	-	489,025
Pier #12, Emerald Street	2,518,340	3,970,065	-	6,488,405	876,336	129,768	-	1,006,104
Pier #14, Ship Street	1,855,491	-	-	1,855,491	645,632	37,110	-	682,742
Pier #23, Strathearne Avenue	2,993,004	-	-	2,993,004	1,039,936	59,860	-	1,099,796
Pier #24, Strathearne Avenue	944,866	-	-	944,866	301,234	18,897	-	320,131
Pier #25, Bayside	1	-	-	1	-	-	-	-
Pier #26, Bayside	1	-	-	1	-	-	-	-
Pier #27, Bayside	1	-	-	1	-	-	-	-
Pier #28, Bayside	1	-	-	1	-	-	-	-
Other wharves and marinas	874,353	1,770	-	876,123	612,591	38,991	-	651,582
	15,369,719	3,982,724	-	19,352,443	5,595,292	408,516	-	6,003,808
Equipment - wharves, piers and floats	143,449	524,571	-	668,020	101,721	59,518	-	161,239
Railway system tracks	209,935	-	-	209,935	161,315	4,101	-	165,416
Roads, parking lots and paved areas	309,698	894,259	-	1,203,957	299,692	45,528	-	345,220
Fences	53,551	11,524	-	65,075	43,267	3,213	-	46,480
Improvements - sewers	20,856	159,119	-	179,975	10,383	8,998	-	19,381
TOTAL OF LAND, DOCKS AND IMPROVEMENTS	\$ 18,164,974	\$ 6,717,134	\$ 13,042	\$ 24,869,066	\$ 6,211,670	\$ 529,874	\$ -	\$ 6,741,544
CAPITAL DEVELOPMENTS IN PROGRESS								
Pier 25/27	\$ 1,643,022	\$ 2,079,949	\$ -	\$ 3,722,971	\$ -	\$ -	\$ -	\$ -
Pier 12/13 (transferred to appropriate asset categories)	6,650,807	-	6,650,807	-	-	-	-	-
TOTAL OF CAPITAL DEVELOPMENTS IN PROGRESS	\$ 8,293,829	\$ 2,079,949	\$ 6,650,807	\$ 3,722,971	\$ -	\$ -	\$ -	\$ -

FIXED ASSETS	Cost at Dec.31/82	Additions	Deductions	Cost at Dec.31/83	Accumulated Dep'n at Dec.31/82	Depreciation 1983	Reduction 1983	Accumulated Dep'n at Dec.31/83
BUILDINGS								
Permanent sheds -								
Wellington Street Sheds #1 and #2	\$ 296,813	\$ -	\$ -	\$ 296,813	\$ 210,280	\$ 6,901	\$ -	\$ 217,181
Wellington Street Sheds #3 and #4	207,562	-	-	207,562	207,170	-	-	207,170
Wellington Street Shed #8	896,617	-	-	896,617	896,616	-	-	896,616
Centennial Terminal #7	68,079	-	-	68,079	68,078	-	-	68,078
Centennial Terminal #5	336,191	-	-	336,191	303,324	16,810	-	320,134
Centennial Terminal #6	446,009	18,770	-	464,779	423,389	16,550	-	439,939
C.S.L. Terminal - Pier #24	1,174,564	-	-	1,174,564	943,914	58,728	-	1,002,642
Shed #7 improvements	35,537	-	-	35,537	7,106	3,553	-	10,659
	<u>3,461,372</u>	<u>18,770</u>	<u>-</u>	<u>3,480,142</u>	<u>3,059,877</u>	<u>102,542</u>	<u>-</u>	<u>3,162,419</u>
Other harbour buildings -								
Administration building	1,052,607	-	-	1,052,607	768,846	28,105	-	796,951
Wellington Street office building	280,160	-	-	280,160	280,159	-	-	280,159
Marine garage	93,929	-	-	93,929	91,450	486	-	91,936
Aids to navigation building	16,528	-	-	16,528	16,528	-	-	16,528
Wentworth Street office building	50,610	-	-	50,610	39,957	2,530	-	42,487
Harbour shops	172,700	-	-	172,700	167,414	552	-	167,966
Brewery building	340,297	-	-	340,297	187,373	17,015	-	204,388
Truck terminal	84,951	-	-	84,951	8,495	8,495	-	16,990
Other buildings	96,694	-	-	96,694	53,899	9,128	-	63,027
Building improvements	142,631	3,000	-	145,631	91,681	18,308	-	109,989
	<u>2,331,107</u>	<u>3,000</u>	<u>-</u>	<u>2,334,107</u>	<u>1,705,802</u>	<u>84,619</u>	<u>-</u>	<u>1,790,421</u>
TOTAL BUILDINGS	<u>\$ 5,792,479</u>	<u>\$ 21,770</u>	<u>\$ -</u>	<u>\$ 5,814,249</u>	<u>\$ 4,765,679</u>	<u>\$ 187,161</u>	<u>\$ -</u>	<u>\$ 4,952,840</u>

FIXED ASSETS	Cost at Dec.31/82	Additions	Deductions	Cost at Dec.31/83	Accumulated Dep'n at Dec.31/82	Depreciation 1983	Reduction 1983	Accumulated Dep'n at Dec.31/83
VESSELS								
Derrick Barge, Cargo Master	\$ 254,447	\$ -	\$ -	\$ 254,447	\$ 254,447	\$ -	\$ -	\$ 254,447
Ice patrol boat	5,820	-	-	5,820	5,820	-	-	5,820
Patrol boat #5	16,117	-	-	16,117	16,117	-	-	16,117
Pilot boat Judge McCombs	19,354	-	-	19,354	19,354	-	-	19,354
Boston Whaler - Revenge	7,110	-	-	7,110	5,688	711	-	6,399
Sailing programme	57,906	15,159	-	73,065	18,318	7,306	-	25,624
Boston Whaler - Outrage	13,514	-	-	13,514	9,457	1,351	-	10,808
Air Scoot	15,099	-	-	15,099	5,660	1,132	-	6,792
40 foot cruiser	117,432	-	-	117,432	32,896	11,743	-	44,639
Harbour launch - Bertram	-	24,591	-	24,591	-	2,459	-	2,459
	<u>506,799</u>	<u>39,750</u>	<u>-</u>	<u>546,549</u>	<u>367,757</u>	<u>24,702</u>	<u>-</u>	<u>392,459</u>
	<u>75,835</u>	<u>2,687</u>	<u>-</u>	<u>78,522</u>	<u>56,395</u>	<u>4,698</u>	<u>-</u>	<u>61,093</u>
EQUIPMENT								
TOTAL OF VESSELS	<u>\$ 582,634</u>	<u>\$ 42,437</u>	<u>\$ -</u>	<u>\$ 625,071</u>	<u>\$ 424,152</u>	<u>\$ 29,400</u>	<u>\$ -</u>	<u>\$ 453,552</u>
EQUIPMENT								
Harbour	\$ 32,917	\$ -	\$ -	\$ 32,917	\$ 29,595	\$ 954	\$ -	\$ 30,549
Operational	2,996,281	-	-	2,996,281	1,872,739	280,643	-	2,153,382
Sheds	192,867	-	-	192,867	190,969	1,895	-	192,864
Other buildings	29,742	-	-	29,742	28,836	638	-	29,474
Offices	120,106	22,796	-	142,902	83,966	6,873	-	90,839
Automotive	82,109	14,559	-	96,668	47,773	14,067	-	61,840
Miscellaneous	42,183	-	-	42,183	33,478	2,904	-	36,382
TOTAL EQUIPMENT	<u>\$ 3,496,205</u>	<u>\$ 37,355</u>	<u>\$ -</u>	<u>\$ 3,533,560</u>	<u>\$ 2,287,356</u>	<u>\$ 307,974</u>	<u>\$ -</u>	<u>\$ 2,595,330</u>
TOTAL OF VESSELS AND EQUIPMENT	<u>\$ 4,078,839</u>	<u>\$ 79,792</u>	<u>\$ -</u>	<u>\$ 4,158,631</u>	<u>\$ 2,711,508</u>	<u>\$ 337,374</u>	<u>\$ -</u>	<u>\$ 3,048,882</u>
TOTAL ALL FIXED ASSETS	<u>\$ 36,330,121</u>	<u>\$ 8,898,645</u>	<u>\$ 6,663,849</u>	<u>\$ 38,564,917</u>	<u>\$ 13,688,857</u>	<u>\$ 1,054,409</u>	<u>\$ -</u>	<u>\$ 14,743,266</u>

HAMILTON PUBLIC LIBRARY



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